

SENATE BUDGET COMMITTEE
DEMOCRATIC CAUCUS
KENT CONRAD, RANKING MEMBER

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**STATEMENT BY SENATOR KENT CONRAD
(D-ND) ON NEW CBO DEFICIT ESTIMATE**

“Yesterday, the Congressional Budget Office issued its latest Monthly Budget Review, which includes a new deficit estimate for 2003 that demonstrates the steady worsening of our fiscal outlook. CBO’s new deficit estimate shows that with the adoption of the President’s latest round of tax cuts we can expect federal deficits for 2003 to exceed \$400 billion, or close to 4 percent of gross domestic product. This represents a dramatic \$100 billion deterioration from CBO’s previous projection just one month ago. And deficits can be expected to be even worse in 2004, as the bulk of the cost of the latest tax cut kicks in.

“However, while CBO’s deficit projections for 2003 are clearly disturbing, the real concern is later this decade, where the President’s tax cuts will lead to massive chronic deficits right in the face of the retirement of the baby boom generation. Further tax cuts being pursued by Republicans in Congress will serve only to drive us deeper into the deficit ditch, passing on yet more debt to our children, and undermining our nation’s economy.”

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